

ECONOMIC DEVELOPMENT

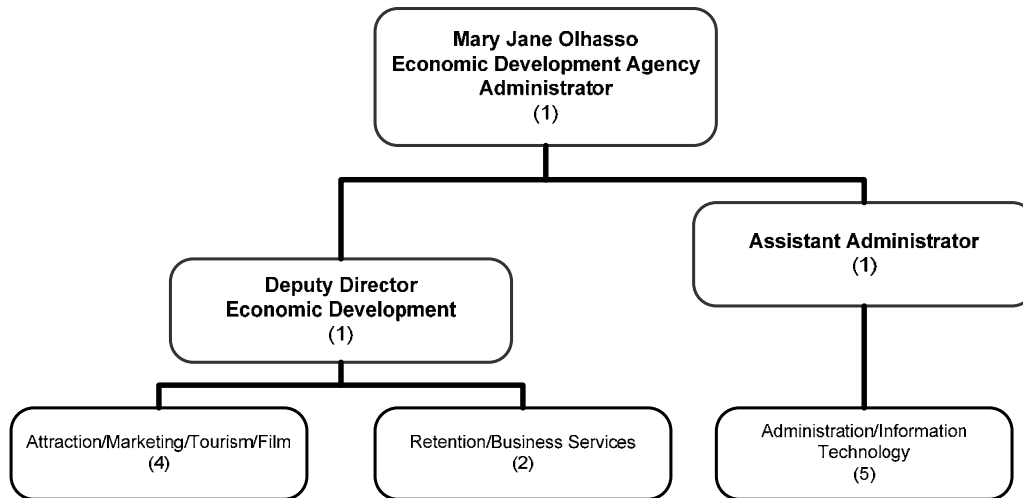
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MISSION STATEMENT

The Department of Economic Development fosters sustainable economic growth opportunities for job creation and revenue enhancement through comprehensive business expansion, attraction, and retention programs and services. The Department creates strategic partnerships with public and private entities to enhance global competitiveness and entrepreneurial development.



ORGANIZATIONAL CHART



2010-11 and 2011-12 ACCOMPLISHMENTS

- The Department successfully implemented programs to strengthen the County's brand regionally and nationally to site selectors, corporate real estate executives, investors, brokers and other stakeholders through speaking engagements, partnerships, advertising, direct outreach, public relations and further enhancement to the Economic Development Agency's website: sbcountyadvantage.com and www.sbcountybuzz.com.
- The Department has incorporated the County Vision into the websites, press releases and other related collateral materials.
- The Department responded to over 130 inquiries for site selection packages and over 200 inquiries for incentive information and other technical assistance.
- The Department successfully launched the County's Domestic Tourism Program with "DiscoverIE" and International Tourism Program. The International Tourism program successfully implemented the familiarization tour of "Route 66 & Beyond" with international travel writers.
- The Department successfully executed the State of the County event on February 29, 2012. This event seeks to attract and retain businesses within the County.
- The Department began regular meetings with San Bernardino County cities and towns economic development personnel to leverage community strengths and work cooperatively in economic development efforts.



2012-13 GOALS, OBJECTIVES, AND PERFORMANCE MEASURES**GOAL 1: FOSTER JOB CREATION AND IMPROVE THE WELFARE OF COUNTY RESIDENTS.**

Objective: *Identify, attract and facilitate the location and/or relocation of businesses that offer jobs suitable for the job skills available within the County.*

Measurement	2009-10 Actual	2010-11 Actual	2011-12 Target	2011-12 Actual	2012-13 Target
Number of new businesses attracted to the County through the attraction and expansion efforts of the Department of Economic Development.	N/A	202	220	350	400
Number of estimated new jobs created through attraction and expansion efforts.	N/A	N/A	New	5000	6000

The Department of Economic Development's attraction efforts are based primarily on a site selection process. This involves identifying sites that meet the requirements and coordinating site tours with brokers and developers. During this process, other departments including Land Use/Building and Safety, etc., are brought in to ensure a seamless progression of services for the requesting client.

In 2011-12, the Department plans to create an action plan that will position the County to take advantage of key economic development opportunities during the economic recovery. The Department will create collaborative forums with key industry sector leaders and educators to discuss potential technical transfer programs and the potential for creating regional innovation corridors.

To successfully foster job creation, increase private investment and enhance County revenues through retention, attraction and expansion of business, the Department of Economic Development plans to create and develop strong regional relationships with local businesses, cities and chambers of commerce.

GOAL 2: ENHANCE THE COUNTY OF SAN BERNARDINO'S POSITION AS A TOURIST DESTINATION AND PROMOTE THE COUNTY AS A VIABLE FILM LOCATION.

Objective: *Enhance the image of the County as a viable film location and create awareness of the economic benefits of filming in the County through ongoing branding and marketing.*

Measurement	2009-10 Actual	2010-11 Actual	2011-12 Target	2011-12 Actual	2012-13 Target
Number of International/Technical Tour excursions booked to the County.	N/A	N/A	50	50	60
Number of Film Permits issued annually.	N/A	164	164	150	150

The Department of Economic Development, in an effort to build its tourism program, has hired an international tourism development consultant to develop a strategic marketing program that incorporates destination branding; technical tour programming; travel product development and project management to create a sustainable tourism industry for the County. The Department has also hired the Inland Empire Film Commission to promote locations within the County and execute film permits.



SUMMARY OF BUDGET UNITS

	2012-13					
	Appropriation	Revenue	Net County Cost	Fund Balance	Net Budget	Staffing
<u>General Fund</u>						
Economic Development	3,045,214	130,000	2,915,214			14
Total General Fund	3,045,214	130,000	2,915,214			14
<u>Special Revenue Fund</u>						
San Bernardino Valley Enterprise Zone	0	0		0		0
Total Special Revenue Fund	0	0		0		0
Total - All Funds	3,045,214	130,000	2,915,214	0		14

5-YEAR APPROPRIATION TREND

	2008-09	2009-10	2010-11	2011-12	2012-13
Economic Development	7,318,898	3,595,461	3,065,030	2,774,965	3,045,214
San Bernardino Valley Enterprise Zone	392,911	208,967	248,989	248,704	0
Total	7,711,809	3,804,428	3,314,019	3,023,669	3,045,214

5-YEAR REVENUE TREND

	2008-09	2009-10	2010-11	2011-12	2012-13
Economic Development	580,000	339,247	201,441	149,787	130,000
San Bernardino Valley Enterprise Zone	101,891	97,498	103,782	104,650	0
Total	681,891	436,745	305,223	254,437	130,000

5-YEAR NET COUNTY COST TREND

	2008-09	2009-10	2010-11	2011-12	2012-13
Economic Development	6,738,898	3,256,214	2,863,589	2,625,178	2,915,214
Total	6,738,898	3,256,214	2,863,589	2,625,178	2,915,214

5-YEAR FUND BALANCE TREND

	2008-09	2009-10	2010-11	2011-12	2012-13
San Bernardino Valley Enterprise Zone	291,020	111,469	145,207	144,054	0
Total	291,020	111,469	145,207	144,054	0



Economic Development

DESCRIPTION OF MAJOR SERVICES

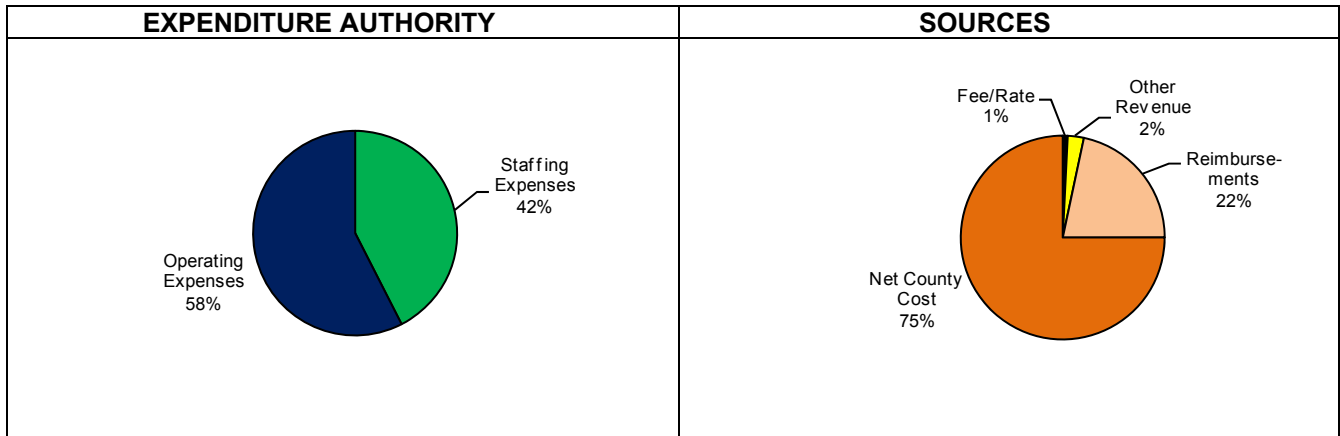
The Department of Economic Development's (ED) major goals are to foster job creation, increase private investment and enhance County revenues through the implementation of a Countywide economic development strategy. The strategy focuses on maximizing the standard of living of the County's residents, providing economic opportunities for the County's businesses, fostering a competitive environment and positioning the County as a highly competitive region for business opportunities. The strategy will emphasize industry sectors with high-growth potential and offering high paying jobs.

The Department spearheads initiatives having local, national and international impact by forming internal and external strategic partnerships with key public and private sector organizations including, but not limited to, the State of California, San Bernardino County cities, the County of Riverside, as well as non-profit development corporations, developers, brokers, site selectors, corporate real estate executives and tenant representatives. Outreach to private sector stakeholders is conducted via a comprehensive media/marketing campaign.

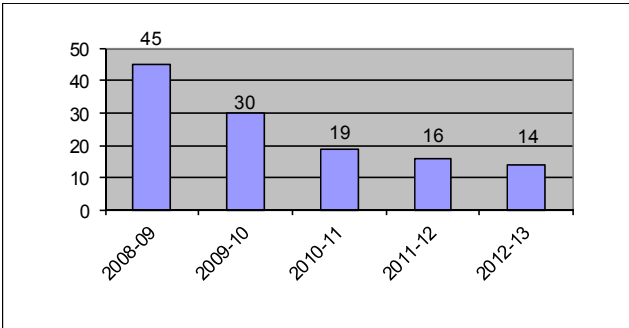
The Department also creates and develops necessary support structures to foster a positive, creative and expanding business climate by offering a wide array of economic development programs and services including the following:

- Site Selection Assistance
- Market Analysis and Demographics
- Permitting Assistance
- International Trade Services
- Enterprise Zone and Program Management
- Small Business Assistance and Technical Support
- Technical assistance and marketing support to County cities and economic development stakeholders.

2012-13 ADOPTED BUDGET



BUDGETED STAFFING

STAFFING ANALYSIS					5-YEAR STAFFING TREND				
Authorized Positions	2010-11 Final	2011-12 Adopted	2011-12 Final	2012-13 Adopted					
Regular	19	16	15	13					
Limited Term	0	0	1	1					
Total	19	16	16	14					
Staffing Expenses	\$1,931,327	\$1,783,666	\$1,566,766	\$1,650,731					

ANALYSIS OF 2012-13 ADOPTED BUDGET

GROUP: Economic Development
DEPARTMENT: Economic Development
FUND: General

BUDGET UNIT: AAA EDF
FUNCTION: Public Assistance
ACTIVITY: Other Assistance

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2011-12 Final Budget	2012-13 Adopted Budget	Change From 2011-12 Final Budget
Appropriation							
Staffing Expenses	2,670,061	2,533,189	1,931,327	1,566,706	1,566,766	1,650,731	83,965
Operating Expenses	4,007,203	2,735,356	2,187,151	2,035,867	2,112,856	2,235,624	122,768
Capital Expenditures	19,998	0	0	0	0	0	0
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	6,697,262	5,268,545	4,118,478	3,602,573	3,679,622	3,886,355	206,733
Reimbursements	(2,079,632)	(1,716,566)	(1,100,675)	(904,657)	(904,657)	(841,141)	63,516
Total Appropriation	4,617,630	3,551,979	3,017,803	2,697,916	2,774,965	3,045,214	270,249
Operating Transfers Out	0	40,000	0	0	0	0	0
Total Requirements	4,617,630	3,591,979	3,017,803	2,697,916	2,774,965	3,045,214	270,249
Departmental Revenue							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	0	0	0	0	0	0	0
Fee/Rate	0	15,351	31,176	33,788	33,787	30,000	(3,787)
Other Revenue	16,220	20,476	158,865	116,000	116,000	100,000	(16,000)
Total Revenue	16,220	35,827	190,041	149,788	149,787	130,000	(19,787)
Operating Transfers In	500,000	300,000	11,400	0	0	0	0
Total Sources	516,220	335,827	201,441	149,788	149,787	130,000	(19,787)
Net County Cost	4,101,410	3,256,152	2,816,362	2,548,128	2,625,178	2,915,214	290,036
Budgeted Staffing					16	14	(2)

BUDGET CHANGES AND OPERATIONAL IMPACT

Staffing expense has a net increase from the final budget of 2011-12 of \$83,965, reflecting the cost related to vacant positions in 2011-12 and salary adjustments in 2012-13.

Operating expenses increased by approximately \$123,000 primarily due to less expenditures incurred in 2011-12 as reflected in the 2011-12 final budget.

Reimbursements were reduced by approximately \$63,000 primarily reflecting the transfer of one position to the Department of Workforce Development.



MAJOR EXPENDITURES AND REVENUE IN 2012-13 ADOPTED BUDGET

Staffing expenses of \$1.7 million fund 14 budgeted positions.

Operating expenses of \$2.2 million include costs of various Economic Development programs (real estate related trade shows, advertising, public relations, and tourism); travel and internal transfers out (County Counsel charges, Facilities, etc.).

Reimbursements of \$841,141 represent the cost allocation to other EDA departments of Economic Development Agency staff.

Departmental revenue of \$130,000 represents registration fees and sponsorships for the State of the County event planned for the spring of 2013.

STAFFING CHANGES AND OPERATIONAL IMPACT

Budget reductions, cost increases and program changes in 2012-13 resulted in the deletion of 1 Economic Development Manager position and the transfer of 1 Automated Systems Technician position to the Department of Workforce Development for an estimated savings of \$277,000.

2012-13 POSITION SUMMARY

Division	Regular	Limited Term	Total	Filled	Vacant	New	Total
Economic Development Agency	2	0	2	2	0	0	2
Economic Development	6	1	7	6	1	0	7
Administration / Information Technology	5	0	5	5	0	0	5
Total	13	1	14	13	1	0	14

Economic Development Agency	Economic Development	Administration / Information Technology
Classification	Classification	Classification
1 Administrator	1 Deputy Director	2 Staff Analyst II
1 Assistant Administrator	1 Economic Development Manager	1 Automated Systems Analyst
2 Total	3 Economic Dev. Coordinator III	1 Payroll Specialist
	1 Graphic Artist	1 Executive Secretary III
	1 Extra Help-Event Coordinator	5 Total
	7 Total	



San Bernardino Valley Enterprise Zone

DESCRIPTION OF MAJOR SERVICES

On August 22, 2006 (Item No. 50), the Board of Supervisors approved a Memorandum of Understanding with the City of Colton, City of San Bernardino, and the Inland Valley Development Agency (IVDA) to fund, manage and describe the jurisdictional responsibilities of the San Bernardino Valley Enterprise Zone (SBVEZ). The SBVEZ is a state designated geographical area that offers local businesses state tax incentives in order to stimulate economic growth in the economically distressed areas of the City of Colton, City of San Bernardino, and the County.

Budget at a Glance

Total Expenditure Authority	\$137
Total Sources	\$0
Fund Balance	\$137
Total Staff	0

The San Bernardino Valley Enterprise Zone facilitates economic growth through assistance to local businesses, jurisdictional leadership, public/private collaborations, attraction of new investment, the retention/expansion of existing businesses, and the employment of the most difficult-to-hire workers into private sector jobs.

Major services offered to SBVEZ businesses in 2011-12 include the following:

- Educational workshops on State Tax Credits.
- Employment and training assistance for zone businesses.
- Assistance in accessing and procuring state contracts.
- Processing of employment vouchers to allow businesses that hire qualified individuals to receive the state's hiring tax credits.
- Site selection assistance for new and expanding businesses.
- Permitting assistance for new and expanding businesses.

On September 13, 2011 (Item No. 15), the Board of Supervisors (Board) adopted Resolution No. 2011-180 amending the Memorandum of Understanding (Agreement No. 06-937) for the San Bernardino Valley Enterprise Zone ("Zone") to remove the County of San Bernardino as the Zone Manager and designate the City of San Bernardino as the new Zone Manager. The Board also authorized the transfer of any and all unobligated Zone funds to the City of San Bernardino.



ANALYSIS OF 2012-13 ADOPTED BUDGET

GROUP: Economic Development
 DEPARTMENT: Economic Development
 FUND: San Bernardino Valley Enterprise Zone

BUDGET UNIT: SYZ EDF
 FUNCTION: Public Assistance
 ACTIVITY: Other Assistance

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2011-12 Final Budget	2012-13 Adopted Budget	Change From 2011-12 Final Budget
<u>Appropriation</u>							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	403,911	80,650	120,439	149,110	263,805	137	(263,668)
Capital Expenditures	0	0	0	0	0	0	0
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	403,911	80,650	120,439	149,110	263,805	137	(263,668)
Reimbursements	(11,000)	(14,573)	(15,101)	(4,540)	(15,101)	0	15,101
Total Appropriation	392,911	66,077	105,338	144,570	248,704	137	(248,567)
Operating Transfers Out	0	0	0	0	0	0	0
Total Requirements	392,911	66,077	105,338	144,570	248,704	137	(248,567)
<u>Departmental Revenue</u>							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	0	0	0	0	0	0	0
Fee/Rate	99,337	57,421	102,150	0	102,150	0	(102,150)
Other Revenue	2,554	42,395	2,025	530	2,500	0	(2,500)
Total Revenue	101,891	99,816	104,175	530	104,650	0	(104,650)
Operating Transfers In	0	0	0	0	0	0	0
Total Sources	101,891	99,816	104,175	530	104,650	0	(104,650)
Fund Balance					144,054	137	(143,917)
Budgeted Staffing					0	0	0

BUDGET CHANGES AND OPERATIONAL IMPACT

The changes in appropriation and departmental revenue from the 2011-12 final budget reflect the transfer of all Zone funds to the City of San Bernardino, as the lead agency. The remaining amount of \$137 will be transferred to the City of San Bernardino in 2012-13.

MAJOR EXPENDITURES AND REVENUE IN 2012-13 ADOPTED BUDGET

All planned expenditures in 2012-13 for the San Bernardino Valley Enterprise Zone entity will be administered by the City of San Bernardino, as the lead agency.

STAFFING CHANGES AND OPERATIONAL IMPACT

There is no staffing associated with this budget unit.

